

**RESOLUTION NO. \_\_\_\_**

**RESOLUTION OF THE REDEVELOPMENT AGENCY  
OF THE CITY OF MILPITAS  
AUTHORIZING THE USE OF LOW- AND MODERATE- INCOME HOUSING  
SET-ASIDE FUNDS FOR LAND ACQUISITION**

**WHEREAS**, by Resolution No. 192 adopted in 1976, the Agency established the Milpitas Redevelopment Project Area No. 1 (“**Project Area**”) and adopted a redevelopment plan for the Project Area (as thereafter amended, the “**Redevelopment Plan**”);

**WHEREAS**, pursuant to Resolution No. RA 228 adopted on September 7, 2004, the Agency and the City of Milpitas (“**City**”) entered into a Purchase and Sale Agreement (the “**Purchase and Sale Agreement**”) pursuant to which the Agency agreed to purchase certain real property located in the Project Area, and the Agency executed a promissory note (the “**Note**”) payable to the City for a portion of the purchase price of such property;

**WHEREAS**, one of the parcels that the Agency purchased from the City is that certain real property located at 163 North Main Street and known as Santa Clara County Assessor’s Parcel No. 022-08-041 (the “**Housing Parcel**”);

**WHEREAS**, pursuant to Resolution No. RA 241 adopted on August 16, 2005, the Agency entered into a Disposition and Development Agreement (“**DDA**”) with MP Milpitas Affordable Housing Associates, a California limited partnership (“**Developer**”) pursuant to which Developer agreed to construct a housing development (the “**Housing Development**”) on the Housing Parcel which will provide 102 residential rental units that will be affordable to very low- and extremely low-income senior households;

**WHEREAS**, the Agency and Developer have executed and caused to be recorded in the Official Records of Santa Clara County that certain Affordable Housing Regulatory Agreement and Declaration of Restrictive Covenants which requires the Housing Development to remain affordable to very low- and extremely low-income senior households for a minimum of 55 years;

**WHEREAS**, pursuant to Health and Safety Code Section 33334.2(e), the Agency has authority to expend funds deposited into the Agency’s low- and moderate-income housing set-aside fund established pursuant to Health and Safety Code Sections 33334.2 and 33334.6 (the “**Low- and Moderate-Income Housing Set-Aside Fund**”) for the purpose of acquiring land that will be used for affordable housing; and

**WHEREAS**, as set forth in the Purchase and Sale Agreement, the purchase price for the Housing Parcel was \$2,000,000, and pursuant to the Purchase and Sale Agreement

and the Note, the Agency is obligated to pay such sum to the City for acquisition of the Housing Parcel.

**NOW, THEREFORE, BE IT RESOLVED** that the Redevelopment Agency of the City of Milpitas hereby:

1. Authorizes the allocation of \$2,000,000 from the Agency's Low- and Moderate-Income Housing Set-Aside Fund to pay the City the purchase price for the Housing Parcel.

2. Authorizes the City Finance Director, the Agency Executive Director, and their respective designees to take such actions as necessary to carry out the intent of this Resolution, including without limitation the filing and/or amendment of any reports required pursuant to Community Redevelopment Law.

PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2006  
by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

\_\_\_\_\_  
Mary Lavelle, Agency Secretary

\_\_\_\_\_  
Jose S. Esteves, Chairperson

APPROVED AS TO FORM:

\_\_\_\_\_  
Steven T. Mattas, Agency Counsel